

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (05/04):
BUTTER: Grade AA closed at \$1.8000. The weekly average for Grade AA is \$1.8283 (-.1350).

CHEESE: Barrels closed at \$1.5600 and blocks at \$1.5800. The weekly average for barrels is \$1.5465 (+.0730) and blocks, \$1.5655 (+.0750).

NONFAT DRY MILK: Extra Grade closed at \$1.0300 and Grade A closed at \$1.0400. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0400 (N.C.).

BUTTER: Butter markets are unsettled. Although the cash price is lower than last week, butter production is lighter than desired in most areas of the country. Many domestic producers and handlers feel that the weakening cash price is reflective of lower priced imported butter being offered. Imported butter is reported to be entering the U.S. within and above quota levels. Although some buyers are taking advantage of the imported offerings, total butter holdings are lighter than they have been during the past two years for this time of the season. Overall butter demand is fair at best. Most orders are being placed for short term or immediate needs.

CHEESE: The cheese market remains firm. Current cheese supplies are unseasonably tight and held with confidence. Traders continue to be concerned about product availability later in the year. Thus far, limited seasonal increases in milk receipts are impacting plant operating schedules and current cheese availability. The Kansas City Commodity Office (KCCO) announced on May 3 a supplemental purchase award for between 1,190,400 and 1,920,000 pounds of reduced fat shredded cheddar at \$.4496 - .5064 per pound over the CME block cheese average. KCCO also purchased between 614,400 pounds and 1,574,400 pounds of shredded cheddar at \$.2750 - .3100 per pound over the block average for delivery July 1, 2001 - June 30, 2002.

FLUID MILK: Warmer weather throughout the nation is encouraging milk production. Heavier volumes are most notable in the Southern sectors of the country with near peak levels reported in California. Class I sales are steady to slower, increasing milk movement into manufacturing facilities. Manufacturing plants in the Northern half of the country are not yet operating at capacity while Southern facilities operate on moderate to heavy schedules. Condensed skim supplies are increasing as producers attempt to defer energy costs related to drying. However, as prices are bid lower, some firms are opening up dryers to avoid discounting supplies. Cream movement is good into ice cream facilities. While cream prices are higher this week, multiples are lower as buyers are expecting lower prices to develop

in response to declines in the butter price at the CME. Supplies are steady to higher with some butter churns selling cream back on the market in response to the lower butter prices reported. Bottled and aerosol whipping cream production is increasing seasonally.

DRY PRODUCTS: Dry product markets are generally firm due to less than seasonal milk output and increased export demand. NDM prices are higher yet product continues to be offered to the government in the West. Energy costs are encouraging the movement of condensed skim rather than dry product. Demand is fair to good, best in the East. Buttermilk supplies remain short of buyer interest. Similar to the NDM market, condensed product is producer preferred in deferring energy cost. Buttermilk prices are higher and trading is very light. Whey markets are firm on steady production schedules. Most movement is occurring domestically with less export inquiry noted at the higher prices. WPC supplies are mixed. Bagged product is trading at a premium while totes are moving at a discount. The market remains unchanged with a cautious undertone noted due to conversations regarding the possible CCC sell back of NDM. The lactose market is firm at higher prices. Interest is notably strong from domestic and export markets.

CCC: During the week of April 30 - May 4, CCC net purchases totaled 9,008,418 pounds of nonfortified of Western NDM. Cumulative totals are 11.6% above last year at 309,410,156 pounds with an uncommitted inventory total of 551,973,000 pounds.

APRIL AGRICULTURAL PRICES HIGHLIGHTS (NASS): The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 2001 advanced 1 point to 124. Compared with April 2000, the index was up 5 points (4.2%). The index of prices received by farmers for dairy products advanced 4 points during the month of April 2001 to 110. Compared with April 2000, the index was up 19 points (20.9%). Prices received by farmers in April with changes from March were: for All Milk, \$14.40, up \$0.50; for Fluid Grade Milk, \$14.40, up \$0.50; and for Manufacturing Grade Milk, \$12.70, up \$0.50.

CLASS AND COMPONENT PRICES (DAIRY PROGRAMS): The following are the April 2001 prices under the Federal Milk Order pricing system with changes from the month prior: Class II \$15.10 (+\$0.93), Class III \$12.06 (+\$0.64); and Class IV \$14.41 (+\$0.95). Product price averages used in computing Class prices are: butter \$1.7126, NDM \$1.0145, cheese \$1.3423, and dry whey \$0.2446. The Class II butterfat price is \$1.9553 and the Class III/IV butterfat price is \$1.9483. Further information may be found at: www.ams.usda.gov/dairy/mib/classprcnamt.pdf

****SPECIALS THIS ISSUE****

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**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY APRIL 30	TUESDAY MAY 1	WEDNESDAY MAY 2	THURSDAY MAY 3	FRIDAY MAY 4	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.5300 (+.0100)	\$1.5450 (+.0150)	\$1.5450 (N.C.)	\$1.5525 (+.0075)	\$1.5600 (+.0075)	+.0400	\$1.5465 (+.0730)
40# BLOCKS	\$1.5500 (+.0100)	\$1.5625 (+.0125)	\$1.5625 (N.C.)	\$1.5725 (+.0100)	\$1.5800 (+.0075)	+.0400	\$1.5655 (+.0750)
BUTTER GRADE AA	\$1.8975 (-.0300)	-----	\$1.7875 (-.1100)	-----	\$1.8000 (+.0125)	-.1275	\$1.8283 (-.1350)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM (NOTE: The NDM daily/weekly prices are reported here when changes occur. The Extra Grade price is \$1.0300 and Grade A price is \$1.0400. NDM information remains available at the above internet address.)

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 30, 2001

CHEESE -- SALES: NONE; BIDS UNFILLED: 3 CARS BARRELS: 2 @ \$1.5300, 1 @ \$1.5225; 7 CARS 40# BLOCKS: 3 @ \$1.5500, 4 @ \$1.5400; OFFERS UNCOVERED: NONE

BUTTER -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 4 CARS: 1 @ \$1.8975, 1 @ \$2.0000, 1 @ \$2.1000, 1 @ \$3.0000

TUESDAY, MAY 1, 2001

CHEESE -- SALES: NONE; BIDS UNFILLED: 3 CARS BARRELS @ \$1.5450; 6 CARS 40# BLOCKS: 1 @ \$1.5625, 2 @ \$1.5600, 1 @ \$1.5525, 2 @ \$1.5500; OFFERS UNCOVERED: NONE

WEDNESDAY, MAY 2, 2001

CHEESE -- SALES: NONE; BIDS UNFILLED: 2 CARS BARRELS @ \$1.5450; 3 CARS 40# BLOCKS @ \$1.5625; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 6 CARS: 1 @ \$1.8400, 1 @ \$1.8300, 1 @ \$1.7950, 2 @ \$1.7900, 1 @ \$1.7875; BIDS UNFILLED: 2 CARS: 1 @ \$1.7500, 1 @ \$1.5000; OFFERS UNCOVERED: 5 CARS: 1 @ \$1.7975, 1 @ \$1.8825, 2 @ \$1.8900, 1 @ \$1.8950

THURSDAY, MAY 3, 2001

CHEESE -- SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ \$1.5525; 1 CAR 40# BLOCKS @ \$1.5725; OFFERS UNCOVERED: NONE

FRIDAY, MAY 4, 2001

CHEESE -- SALES: 14 CARS BARRELS: 2 @ \$1.5600, 1 @ \$1.5650, 1 @ \$1.5625, 1 @ \$1.5600, 5 @ \$1.5700, 1 @ \$1.5675, 1 @ \$1.5650, 1 @ \$1.5625, 1 @ \$1.5600; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ \$1.5800, 1 @ \$1.5775; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.5700, 1 @ \$1.5750

BUTTER -- SALES: 4 CARS: 1 @ \$1.7875, 1 @ \$1.8000, 1 @ \$1.7975, 1 @ \$1.8000; BIDS UNFILLED: 7 CARS: 1 @ \$1.8000, 1 @ \$1.7925, 1 @ \$1.7900, 2 @ \$1.7825, 1 @ \$1.7600, 1 @ \$1.7000; OFFERS UNCOVERED: NONE

NOTE: Trading of barrel cheese on April 19, 2001 was incorrectly reported by the CME. The one sale of barrel cheese should be corrected from \$1.3825 to \$1.3775. All other trading was correct.

Dairy Market News will report CME nonfat dry milk activity only on the sessions when trading actually occurs until activity occurs regularly.

BUTTER MARKETS**NORTHEAST**

The market tone is firm, but the price at the CME has fallen significantly from the \$2.0125 price seen on April 25. Some contacts don't seem to be too surprised by this price decline, while others did order extra loads to beat additional price increases and were caught off guard. More contacts are starting to comment on the imported butter that is being offered. The imported butter is reportedly available well below \$1.85 and there is more "on the water" headed for the U.S. These imports and the high price are having a dampening effect on demand. Churning activity is light to moderate. Less excess cream was available last week. Demand for bulk and print butter is quite good, but at current retail prices, butter is not moving off the shelves as quickly as it has been. Sales of bulk butter, f.o.b. East, are reported in a range of 3.5–8.0 cents over the CME price/average.

CENTRAL

The market tone is mixed. During three trading sessions, the CME cash butter price has declined over 20 cents per pound through midweek, although many producers and handlers report the market as firm. Many feel that the cash price has weakened due to imported butter being offered to domestic buyers at lower prices than the current cash market was trading at. Domestic buyers report that imported butter is being offered to them from European and Oceania sources. Butter is entering the U.S. within and above quota levels. Often, these

offerings are being quickly absorbed due to lighter than desired domestic butter stocks. Churning schedules in the Midwestern part of the country are seasonally active, although most producers are not pleased with current cream prices. Some producers are trying to negotiate more favorable cream prices, but are finding that some cream offerings are not negotiable. Current butter demand is reported as fair at best. Most sales are for short term or immediate needs. When available, bulk butter for spot sale is selling in a price range of 3–5 cents per pound over various pricing bases. Most producers and handlers continue to hold stocks with confidence.

WEST

The higher prices noted recently at the CME have done little to slow demand for butter from the Western region. Prices have now fallen more than 20 cents from last week's peak. Good print orders continue to come in and bulk sales continue at good levels. Cream demand is generally still good, but some accounts are seeing that purchases now are more risky at these high prices and are backing off. Ice cream production activity is increasing. Most Western butter producers are stating that their inventories are minimal. CME weekly butter stocks increased by 960,000 pounds this past week to 55.9 million pounds. Last year stocks stood at 70.5 million pounds. Current prices for bulk butter nominally range from 4 cents under to flat market based on the CME with various time frames and averages involved.

NASS DAIRY PRODUCT PRICES
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 38% MOISTURE			
APRIL 28	1.3689 7,574,634	1.3678 8,562,035	1.0139 21,439,428	1.8528 3,324,127	0.2479 11,161,937

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Prices are sharply higher as the cheese prices at the CME continue their unseasonable climb. Historically, cheese prices are not this high at this time of year. At the end of April, the CME has not been this high since 1996 and prices are about 20 cents higher than late-April 1998 and 1999. Production levels are light to moderate in the East. Schools are back in session and surplus milk volumes are tighter than the past couple weeks. Demand is slow to fair from both food service and retail buyers. However, more food service interest is developing as restaurants prepare for anticipated, summer needs. Supplies of cheese are light to adequate depending on type and style. Mozzarella continues to move well and stocks are closely balanced with needs. Supplies of cheddar are readily available.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.5350-2.0050
Cheddar Single Daisies	:	1.4925-1.9525
Cheddar 40# Block	:	1.6300-1.8125
Process 5# Loaf	:	1.6850-1.8575
Process 5# Sliced	:	1.7050-1.9600
Muenster	:	1.6950-1.9025
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The market tone is firm. Prices on most items continue to spiral higher at the CME. The April CME averages for 2001 compared to a year ago, are up more than 30 and 31 cents for barrels and blocks, respectively. Contacts wonder where prices will level off. Buyers are trying to pick up a few extra loads to beat additional price increases. Some buyers are reporting that they have little trouble finding or obtaining desired volumes. Currently, cheese output is moderate and lagging year ago levels. Milk output is inching higher seasonally, but there is growing concern regarding how tight milk will be this summer and what impact that will have on cheese production. Demand for most types of cheese is holding up at fair to good levels.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.6800-1.8200
Brick And/Or Muenster 5#	:	1.7500-2.0850
Cheddar 40# Block	:	1.7500-2.1150
Monterey Jack 10#	:	1.9800-2.1150
Blue 5#	:	2.2300-2.3800
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7600-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0450-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES : APRIL 30 - MAY 04, 2001

BARRELS*	:	\$1.4850 - 1.5700
	:	(\$.0850) (.0850)
40# BLOCKS	:	\$1.4900 - 1.5625
	:	(\$.0775) (.0775)

() Change from previous week. * If steel, barrel returned.

WEST

Prices continued to increase sharply this past week. Prices at the CME have increased more than 15 cents since April 18. A few buyers seem to be taking more of a wait and see attitude as prices continue to firm. They seem to be ordering just in time to cover needs. Some sellers report that they still cannot meet all orders in a timely fashion. Undergrade cheese has been cleaned up and is very current. Opinions vary as to whether there will be much of a spring flush this year. Mozzarella cheese remains in tight supply. Orders are often being delayed. Swiss sales are generally rated as normal for this time of year. Most manufacturers are commenting that they are not processing as much milk as they anticipated.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.6250-1.8850
Cheddar 40# Block	:	1.6125-1.7550
Cheddar 10# Cuts	:	1.7925-2.0125
Monterey Jack 10#	:	1.8025-1.9625
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5100

FOREIGN

Prices for domestic types and styles are sharply higher. Prices for imported cheese remain unchanged. The market tone is steady at seasonal levels. Imports are a little lighter from the EU, but there seems to be less confusion over which cheeses, if any, are being affected by the animal health problems in some European countries. Cheese imports are starting to get back to more normal levels. Stocks of imported cheese ranges from light to adequate for the slow to fair demand.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
	:	:
Roquefort	:	TFEWR : -0-
Blue	:	2.6400-3.1400 : 1.8375-3.3325*
Gorgonzola	:	3.2400-5.9400 : 2.3875-2.4900*
Parmesan (Italy)	:	TFEWR : 3.2525-3.2775*
Romano (Italy)	:	2.1000-2.9900 : -0-
Provolone (Italy)	:	3.4400-5.5000 : 1.8450-2.0650*
Romano (Cows Milk)	:	-0- : 3.0275-5.2075*
Sardo Romano (Argentine)	:	2.6500-3.2900 : -0-
Reggianito (Argentine)	:	2.6500-3.2900 : -0-
Jarlsberg-(Brand)	:	2.7400-3.5900 : -0-
Swiss Cuts Switzerland	:	-0- : 2.3500-2.5500
Swiss Cuts Finnish	:	2.5900-2.8500 : -0-
Swiss Cuts Austrian	:	2.2500-2.7500 : -0-
Edam	:	:
2 Pound	:	TFEWR : -0-
4 Pound	:	2.1900-3.0900 : -0-
Gouda, Large	:	2.3900-2.6800 : -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	:	27.8000-31.7000 : -0-

* = Price change.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
04/30/01	24,598	: 122,851
04/01/01	21,917	: 121,934
CHANGE	2,681	: 917
% CHANGE	12	: 1

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	125	0	82	0	117
SOUTHEAST STATES	0	0	0	0	0	0

Record breaking high temperatures covered much of the Northeast early this week. This has given milk output a little boost and fieldwork is going at a fast and furious pace. In Florida, the high, daily temperatures are being offset by mild to cool nights, which is near ideal for cow comfort and milk output. The milk flow is increasing slowly from the Middle Atlantic area through New England. In the Southeast, the milk flow is steady in the Deep South and slightly higher elsewhere. Fluid milk supplies remain tight, but more contacts note that surplus milk volumes are up slightly this week. More than one contact expressed concern over milk supplies this summer and premiums on milk sales appear to be a real possibility. Bottled milk sales range from steady to slower and this is pushing more milk into manufacturing channels. Most of this "extra" milk seems to be in the Northeast and is easily cleared. With milk still coming out of Florida, manufacturing plants in the Southeast are operating on moderate to heavy schedules. The condensed skim market is a little firmer than last week when some suppliers fired up their dryers rather than sell at reduced prices. This week, demand seems to have improved and there is little or no discounting of prices to move loads. The fluid cream market is about steady. Some additional volumes are available this week, and with lower prices, demand is improving. Ice cream makers appear to be taking additional volumes, but often at contracted multiples. Cream prices are higher as last week's average for butter at the CME advanced more than 9-cents. However, with the CME butter price falling more than 11-cents since April 25, more spot cream buyers are paying based on the market, date of shipment. Cream cheese output is steady to heavier where more cream is being offered to them. Bottled and aerosol whipping cream production are moderate to heavy as the strawberry season is "advancing" northward. Churning activity is about steady.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.4934-2.6701
DELIVERED EQUIVALENT ATLANTA	-	2.4934-2.7486 M 2.5130-2.5916
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.5130-2.6505

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.0900-1.1500
NORTHEAST- CLASS III - SPOT PRICES	- .8500-.9600

M I D W E S T

Class I demand is fairly steady with the usual first of the month boost in retail demand slow to develop. Retail promotional activity has not yet stimulated extra sales. Most schools remain in session, though a few systems are starting to near the end of their regular year in Wisconsin, which impacts Class I use and cream availability. Manufacturing milk demand is strong for the limited supplies. Manufacturing milk prices were not available as too few loads were available for sale. Plant lead times on cheese orders have been increasing, even for regular customers, which is unusual this close to the spring peak production period. Reported Class II condensed skim prices are \$1.12 - 1.13. Cream demand is uneven as users, especially ice cream, build production seasonally. Some users are attempting to hold back a week, expecting a lower cash butter average at the Chicago Mercantile Exchange next week due to recent session declines. Milk supplies are little changed in the mid section of the Midwest with supplies normally past the spring peak period. Further north in the upper tier of states, more trucks are coming in fuller but plant capacity is not being pushed. Also, the volumes of surplus milk moving north from southern regions seems to be lighter than normal as plant capacity is adequate further south. Southern milk buyers are already talking with shippers further north about their expected needs for summer and fall. Spring planting is well underway and

fields, away from river-flooded areas are drying out. Warmer temperatures (including 80's) are speeding grass and pasture growth as well as the hay crop. The fresh grass is providing plants and reloads with grazers more of a boost in milk intakes, though product yields are generally lower.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APR 26 - MAY 2	PREVIOUS YEAR
SLAUGHTER COWS	\$ 43.50- 49.00	\$ 41.00- 47.00
REPLACEMENT HEIFER CALVES	\$340.00-400.00	\$300.00-380.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	APR 26 - MAY 2	PREVIOUS YEAR
SLAUGHTER COWS	\$ 46.50- 55.00	\$ 37.00- 49.50

W E S T

Milk cow replacement animals continue to firm in selected Western states. April numbers for California were \$1480, down \$20 from last year; Idaho was \$1480, up \$130 from last year; and Washington was \$1470, up \$180 from April 2000. The US value was \$1390, up \$50. March pool receipts of milk in California total 2.800 billion pounds, 4.3% higher than last year. Cumulative pool output through March 2001 totaled 8.035 billion pounds, up 2.5% (unadjusted) from 2000. The March blend price, at a fat test of 3.71%, is \$12.68, 67 cents higher than February and \$1.57 higher than March 2000. The percentage of receipts used in Class I products is 19.72%. The February quota, base and overbase prices were not available. The April 4a price (butter/powder) in California is \$14.32, up \$1.01 from March and \$2.93 higher than last year. The April 4b price (cheese) is \$12.12, up 78 cents from March and \$2.85 higher than last year. Milk production patterns are holding typical with past weeks in the Southwest. Milk output in southern California is mostly steady at levels thought to be at or near peak levels. Processors in the area would like to have more milk for their needs. In the Central Valley, the milk flow remains strong at levels 1 to 3% above a year ago. Competition for milk remains good among processing plants. Weather conditions have been nearly ideal for milk cows with the exception of the high winds early in the week. Haying conditions are good and prices are increasing for the top quality, dairy hay. Replacement cows and heifers are being sought, but prices are high and causing some to reassess the profitability at these levels. The hot conditions in Arizona are not causing as much disruption in the milk flow as thought, mainly due to the cooler nighttime temperatures. Total milk intakes are still below year-ago levels. New Mexico production is mostly steady to slightly higher. Weather conditions remain favorable for milk cow comfort. Milk cow prices are still trending higher and are creating concerns for producers expanding or putting in new facilities. The drop in the butter price has caused some unsettledness in the cream market. Factors with the two-month class system in California still are creating good returns to cream sellers. Ice cream producers are showing very good seasonal interest. Butter churners are somewhat uncertain of making butter in a declining market at high prices. Some are selling cream. Western cream multiples range from 110 to 130 FOB and vary on usage. Temperatures are cooler in the Pacific Northwest and more rain is common. Very little corn has been planted yet. Farmers are a little concerned about how late it is getting, but they welcome the moisture. Hay cutting is also behind normal by as much as 2 weeks. Some dairies that have limited hay stocks left are concerned. Carry over stocks are minimal. Hay prices are firm and are expected to continue in that direction. April hay prices in California are up \$13 from a year ago, Idaho is up \$23, and Washington a plus \$11. The US average hay price is \$94.80, up \$14.10 from April 2000. Milk production remains strong in the region. Much of the feed supply for next year is booked. Culling remains active with many prices near the \$50 mark. A major regional heifer sale will take place at the end of the week in Washington. More than 2000 head are expected and prices are anticipated to continue on the firm side. Much colder temperatures and frost have been common over much the northern Mountain States region. This weather pattern continues to slow hay growth. Many hay growers have started to water their hay ground because of minimal soil moisture. It remains to be seen how much water will be available for irrigation this summer. Many dairy plants in the region are looking for additional supplies of milk with little success. Some dairy facility expansion is now being planned in the region.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 05/03/01 and represent FOB Central and Western production areas. Prices represent CL/TL quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged to higher on a steady to firm market. Spot trading improved compared to last week with interest expressed by brokers, ice cream facilities and blending operations. Some inquiries are being noted on 3rd and 4th quarter. Production is steady to higher as seasonal increases in the milk supply are being reported. Talk of a tilt change is dissipating, yet producers are keeping a close eye on inventories that tend to generally be in balance with demand. High heat production is slow and sales are nominal. Offers of high heat are light with most product moving on a contractual basis. Off grade supplies are available at prices competitive with the Extra Grade 34% WPC market.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0250 - 1.0650 MOSTLY: 1.0250 - 1.0500

DRY BUTTERMILK - CENTRAL

Prices are higher on a firm market. Trading is slow and production schedules are light as most buttermilk supplies are being traded in the condensed form. Imports from the West coast are trading near the average FOB. Some end-users are informing producers of their thoughts in changing formulas away from buttermilk. Producers are noting their concerns yet still unable to satisfy any requests for additional or discounted loads. Production is steady to higher, reflecting increases in butter churning activity. Condensed movement is strong into ice cream facilities. Buttermilk product movement is slow.

BUTTERMILK: 1.0850 - 1.1300

DRY WHEY - CENTRAL

Prices are higher on a firm market. Production is steady to higher in response to seasonal milk supply increases and higher cheese prices. Most producers are reporting tight supplies with spots available at a premium. Some plants are unable to satisfy current commitments and are deferring loads by as much as 2 weeks. Producers are speculating higher prices into October as milk increases are less than typical and export and domestic interest continues strong. Traders are cautious of higher prices as buyer resistance is anticipated, especially by some international markets. Feed buyers are looking to lactose and permeate as more attractively priced substitutes. Off grade supplies remain tight for the good interest.

NONHYGROSCOPIC: 2525 - 2675 MOSTLY: 2525 - 2625

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher and nominal on a generally firm market. Milk replacer supplies are very tight. Most producers are sold out with no expected supply increases in the near term. Roller ground movement and production are unchanged. Price increases are anticipated in conjunction with the firmness noted in the Extra Grade market. New production is expected to increase delactose supplies. However, with supplies exceedingly short of demand, the firm market is expected to remain steadfast. The March 2001 U.S. pig crop at 8.78 million head, was 2% more than the previous year. Sows farrowing during this period totaled 988 thousand head, 1% above last year. Early weaned pig prices are steady to higher while veal markets are trending steady to weak.

MILK REPLACER: .2100 - .2300
ROLLER GROUND: .2425 - .2725
DELACTOSE (Min. 20% protein): .4150 - .4300

LACTOSE - CENTRAL AND WEST

Prices are unchanged to higher on a firm market. Domestic and export interest remains strong into infant formula facilities. Some plants are unable to satisfy spot interest and are running behind on contractual commitments. Feed buyers that switched away from whey to lactose are now making inquiries on permeate due to a lack of feed grade or lower mesh size product. Demand for 100 and 200 mesh is strong. Production is mostly steady. While some plants are experiencing equipment problems others are increasing output with seasonal changes in the milk supply. Inquiries are being made on 3rd and 4th quarter as available competitive supplies from the EU remain suspect due to animal health concerns.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1675 - .2150 MOSTLY: .1750 - .1875

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged on a steady market. Movement is mixed. Bagged product is clearing readily into food facilities at premiums while tote movement is slow at discounted prices. Because totes are predominantly sold into feed facilities, such product is difficult to clear as feed buyers resist the current market in anticipation of a potential CCC sell back on NDM. Some anxiety is being expressed by both buyers and sellers as to when this may occur and at what price. Export interest continues strong into Asia and Mexico with some new interest noted in the EU. WPC condensed supplies are heavy as some trucks travel across regions to dryers and end user facilities adept in handling condensed. Off grade product is tight and trading is limited.

EXTRA GRADE 34% PROTEIN: .7900 - .8250 MOSTLY: .7900 - .8000

NONFAT DRY MILK - WEST

Prices are marginally higher for the mostly range of the low/medium heat series, reflecting slight pricing adjustments reported. Energy costs remain a big factor in milk processing decisions. Production levels are running steady with past weeks. NDM continues to be offered weekly to the CCC, prior contracted DEIP orders continue to be filled, and domestic contract sales are moving on a regular basis. The spot market is trading at light levels. Spot demand can be filled from a variety of competitive sources. High heat prices are slightly higher on the top end of the range. Demand is fair to good seasonally. Production trends are steady. During the week of April 23 - 27, CCC net purchases totaled 7.0 million pounds of nonfortified and 0.4 million pounds of fortified Western NDM.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9950 - 1.0300 MOSTLY: 1.0050 - 1.0200

HIGH HEAT: 1.0300 - 1.0800

DRY BUTTERMILK - WEST

Dry buttermilk prices are trending slightly higher within the range, reflecting a firm market tone. There are reports of offering prices above the top end of the range, but no sales. Demand is mixed with some buyers banking stocks for future needs, while others are resisting the price increases. Production schedules are mixed with butter output down and good sales of condensed buttermilk noted. Energy costs also factor into drying decisions. Overall, stocks remain light.

BUTTERMILK: .9800 - 1.0800 MOSTLY: 1.0200 - 1.0600

DRY WHEY - WEST

Western whey prices range from steady to fractionally higher. Domestic sales activity is rated as good. Buyers continue to take their normal volumes of powder and some are looking for additional stocks. Manufacturers' inventories are generally in close balance in the West. Most operations are not producing as much cheese as they had anticipated. Export sales are not aggressive. Prices are becoming too high for some of the users and financial/currency issues for many countries are not getting any better.

NONHYGROSCOPIC: .2200 - .2650 MOSTLY: .2500 - .2600

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
April 27	\$1.0075	14,728,825
April 20	\$1.0077	16,056,561

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities for domestic and export sales in 25 kg. or 50 lb. bags, and totes, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are often higher and nominal. The national marketing agency's base price for May's sales did increase nearly a quarter of a cent from the previous month. The market tone is firm. Little NDM is being made in the Northeast and most producers have nothing to offer on the spot market. In fact, some producers are barely able to make enough to meet their commitments. Demand for condensed skim is improving and the supply of that is in better balance than last week. Most producers are more than willing to sell wet solids in lieu of drying. Demand is good and most spot needs are being filled via resale channels and often with Western powder.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0300 - 1.0825 MOSTLY: 1.0300 - 1.0600

HIGH HEAT: 1.0575 - 1.1100 MOSTLY: 1.0600 - 1.1000

DELVD SOUTHEAST:

ALL HEATS: 1.0550 - 1.1500

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

The market tone continues to firm. Prices are often higher and are still nominal. Few spot sales are reported. In fact, most Eastern producers are not drying buttermilk and those that are, are having a difficult time making enough to fill contracts. Demand for condensed buttermilk is improving along seasonal patterns while demand for powder is good. Traders continue to report difficulty finding desired volumes.

F.O.B. NORTHEAST: 1.0300 - 1.0400

DELVD SOUTHEAST: 1.0500 - 1.1550

DRY WHOLE MILK - NATIONAL

Prices unchanged to higher and the market tone is steady. However, some producers may soon lower prices to reflect recent drops (22.5 cents since April 25) in the CME butter cash price. Conversely, the Class IV milk price in April is expected to be higher which may cause some makers to increase their dry whole milk price. Production levels are light and often geared to meeting contracts. Spot demand remains slow and, once contracts are filled, contacts feel that drying whole milk will be on an as needed basis. With butter prices expected to remain high all summer, it is better financially to sell cream and make NDM rather than dry whole milk.

F.O.B. PRODUCING PLANT: 1.3200 - 1.6000

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH APRIL 27, 2001
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 68,201 MT (150,355,925 LBS)
This program-year allocation is filled.

CHEESE -- 3,030 MT (6,679,938 LBS)
This program-year allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are generally unchanged in the East and nominal. The market tone is firm. Recently, there has been a lot of conversation regarding USDA possibly selling back some of its older NDM for use as animal feed. This could, and in all likelihood would, impact the animal feed sectors of the WPC and dry whey markets. Production levels remain light to moderate. This week, a little less milk was available to most Eastern cheese makers. However, milk production is starting to show some seasonal increases, which may provide more surplus milk. Producer stocks of dry whey are limited and most manufacturers report being sold out for most of May and into June. Some producers are not taking any new orders until they get "caught up." A few operations occasionally have some product to offer. This product is at a premium price and, depending on quality and other approvals, does clear satisfactorily. There is still a shortage of condensed whey and competition for this product is heating up.

F.O.B. NORTHEAST: EXTRA GRADE .2575 - .2650

USPH GRADE A .2675 - .2700

DELVD SOUTHEAST: .2825 - .2975

EVAPORATED MILK - NATIONAL

Prices are unchanged and the market tone is seasonal. Producers continue to talk about increasing prices. The April Class III milk price is expected to be above \$12.00, and this, along with other increasing costs of production, may push producers to change prices. Demand remains fair and centered around replacement needs. However, the prospect of higher prices does have some buyers picking up as much as they can before prices do actually increase. Production levels are about steady.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets remain firm. Deliveries continue to be irregular, especially if sourced from Europe. Some European sourced casein is finally making its way to domestic buyers after being detained at U.S. shores awaiting health safety and paperwork clearance. Domestic buyers who had been carrying a workable inventory of maybe three to four weeks, have now in many instances, reduced these stocks to maybe 3-4 days. For many buyers, they are just barely making ends meet. The stock situation in the Oceania region remains much the same as in past weeks with most orders being filled and delivered as scheduled. The European supply situation is still unclear, but some producers are more optimistic than before about milk production and stock availability during the upcoming milk production season.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 2.4500 - 2.6500

ACID: 2.4500 - 2.6500

MONTHLY SUMMARY AND AVERAGES FOR APRIL 2001 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 14	REPORT NUMBER 15	REPORT NUMBER 16	REPORT NUMBER 17	REPORT NUMBER 18	2001	2000
	APR 02 - 06	APR 09 - 13	APR 16 - 20	APR 23 - 27	APR 30	Average or Total	Average or Total
CHEESE							
MIDWEST COMMODITY CHEDDAR							
-- Cheddar Barrels	1.2950 - 1.3325	1.3200 - 1.3475	1.3325 - 1.4000	1.4000 - 1.4850	1.4850 - 1.5700	1.3718	1.0850
-- Cheddar 40# Blocks	1.3425 - 1.3800	1.3600 - 1.3900	1.3825 - 1.4400	1.4125 - 1.4850	1.4900 - 1.5625	1.4051	1.1072
WISCONSIN (WSP, Delivered, LTL)							
-- Process American 5# Loaf	1.5150 - 1.6500	1.5400 - 1.6500	1.5525 - 1.6500	1.6100 - 1.6800	1.6800 - 1.8200	1.6128	1.3544
-- Brick And/Or Muenster 5#	1.6200 - 1.9375	1.6200 - 1.9550	1.6200 - 1.9675	1.6500 - 2.0075	1.7500 - 2.0850	1.8029	1.5428
-- Cheddar 40# Block	1.6200 - 2.1150	1.6200 - 2.1150	1.6200 - 2.1150	1.6500 - 2.1150	1.7500 - 2.1150	1.8742	1.7575
-- Monterey Jack 10#	1.8200 - 2.1150	1.8200 - 2.1150	1.8200 - 2.1150	1.8500 - 2.1150	1.9800 - 2.1150	1.9749	1.8475
-- Blue 5#	2.0825 - 2.2500	2.1000 - 2.2500	2.1125 - 2.2500	2.1525 - 2.2800	2.2300 - 2.3800	2.1904	1.9003
-- Mozzarella 5 - 6#	1.6400 - 2.2150	1.6400 - 2.2150	1.6400 - 2.2150	1.6700 - 2.2150	1.7600 - 2.2150	1.9339	1.8375
-- Grade A Swiss Cuts 6 - 9#	2.0450 - 2.6850	2.0450 - 2.6850	2.0450 - 2.6850	2.0450 - 2.6850	2.0450 - 2.6850	2.3650	2.3675
NORTHEAST (WSP, Delivered, LTL)							
-- Cheddar 10# Prints	1.3875 - 1.8575	1.4050 - 1.8750	1.4175 - 1.8875	1.4575 - 1.9275	1.5350 - 2.0050	1.6575	1.3656
-- Cheddar Single Daisies	1.3450 - 1.8050	1.3625 - 1.8225	1.3750 - 1.8350	1.4150 - 1.8750	1.4925 - 1.9525	1.6100	1.3306
-- Cheddar 40# Block	1.4825 - 1.6650	1.5000 - 1.6825	1.5125 - 1.6950	1.5525 - 1.7350	1.6300 - 1.8125	1.6088	1.3344
-- Process 5# Loaf	1.5050 - 1.6775	1.5300 - 1.7025	1.5425 - 1.7150	1.6000 - 1.7725	1.6850 - 1.8575	1.6373	1.3750
-- Process 5# Sliced	1.5250 - 1.7800	1.5500 - 1.8050	1.5625 - 1.8175	1.6200 - 1.8750	1.7050 - 1.9600	1.6986	1.4425
-- Muenster	1.5475 - 1.7550	1.5650 - 1.7725	1.5775 - 1.7850	1.6175 - 1.8250	1.6950 - 1.9025	1.6863	1.4544
-- Grade A Swiss Cuts 10 - 14#	2.3500 - 2.5500	2.3500 - 2.5500	2.3500 - 2.5500	2.3500 - 2.5500	2.3500 - 2.5500	2.4500	2.4500
WEST COAST (WSP, Delivered, LTL)							
-- Process 5# Loaf	1.4450 - 1.7050	1.4700 - 1.7300	1.4825 - 1.7425	1.5400 - 1.8000	1.6250 - 1.8850	1.6211	1.3613
-- Cheddar 40# Block	1.4650 - 1.6050	1.4825 - 1.6225	1.4950 - 1.6375	1.5350 - 1.6775	1.6125 - 1.7550	1.5707	1.2988
-- Cheddar 10# Cuts	1.6450 - 1.8650	1.6625 - 1.8825	1.6750 - 1.8950	1.7150 - 1.9350	1.7925 - 2.0125	1.7900	1.5188
-- Monterey Jack 10#	1.6550 - 1.8150	1.6725 - 1.8325	1.6850 - 1.8450	1.7250 - 1.8850	1.8025 - 1.9625	1.7700	1.4988
-- Grade A Swiss Cuts 6 - 9#	2.3000 - 2.5100	2.3000 - 2.5100	2.3000 - 2.5100	2.3000 - 2.5100	2.3000 - 2.5100	2.4050	2.2750
FLUID AND DRY PRODUCTS							
SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)							
-- Northeast - f.o.b	2.1365 - 2.3035	2.1546 - 2.3230	2.1841 - 2.3547	2.3936 - 2.5806	2.4934 - 2.6701	2.3171	1.4122
-- Atlanta - dlv'd. equiv.	2.1366 - 2.3035	2.1378 - 2.3230	2.1670 - 2.3888	2.3749 - 2.6180	2.4934 - 2.7486	2.3212	1.4300
-- Upper Midwest - f.o.b	2.1366 - 2.2868	2.1715 - 2.3061	2.2011 - 2.3035	2.4123 - 2.5245	2.5130 - 2.6505	2.3066	1.4186
PRICES OF CONDENSED SKIM - NORTHEAST (\$ per lb. wet solids) - f.o.b.							
-- Class II	1.0900 - 1.1500	1.0900 - 1.1500	1.0900 - 1.1500	1.0900 - 1.1500	1.0900 - 1.1500	1.1200	1.0469
-- Class III	0.8600 - 0.9600	0.8600 - 0.9600	0.8500 - 0.9600	0.8500 - 0.9600	0.8500 - 0.9600	0.9074	0.9363
NATIONAL EVAPORATED MILK (\$ per Case)							
(Case - 48 - 12 fluid oz cans)							
-- Delivered Major U.S. Cities	20.0000 - 33.0000	20.0000 - 33.0000	20.0000 - 33.0000	20.0000 - 33.0000	20.0000 - 33.0000	26.5000	27.0000

MONTHLY SUMMARY AND AVERAGES FOR APRIL 2001 1/- (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 14	REPORT NUMBER 15	REPORT NUMBER 16	REPORT NUMBER 17	REPORT NUMBER 18	2001	2000
	APR 02 - 06	APR 09 - 13	APR 16 - 20	APR 23 - 27	APR 30	Average	Average
						or Total	or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central (f.o.b.)							
-- Low/Medium Heat	1.0250 - 1.0600	1.0250 - 1.0600	1.0250 - 1.0600	1.0250 - 1.0600	1.0250 - 1.0650	1.0426	1.0000
-- Mostly	1.0250 - 1.0350	1.0250 - 1.0350	1.0250 - 1.0450	1.0250 - 1.0450	1.0250 - 1.0500	1.0327	1.0050
-- West (f.o.b.)							
-- Low/Medium Heat	0.9950 - 1.0300	0.9950 - 1.0300	0.9950 - 1.0300	0.9950 - 1.0300	0.9950 - 1.0300	1.0125	1.0006
-- Mostly	1.0025 - 1.0175	1.0025 - 1.0175	1.0025 - 1.0175	1.0025 - 1.0175	1.0050 - 1.0200	1.0101	1.0050
-- High Heat	1.0300 - 1.0700	1.0300 - 1.0700	1.0300 - 1.0700	1.0300 - 1.0700	1.0300 - 1.0800	1.0502	1.0244
-- Northeast (f.o.b.)							
-- Low/Medium Heat	1.0275 - 1.0825	1.0275 - 1.0825	1.0275 - 1.0825	1.0275 - 1.0825	1.0300 - 1.0825	1.0551	1.0150
-- Mostly	1.0275 - 1.0600	1.0275 - 1.0600	1.0275 - 1.0600	1.0275 - 1.0600	1.0300 - 1.0600	1.0438	1.0100
-- High Heat	1.0550 - 1.1100	1.0550 - 1.1100	1.0550 - 1.1100	1.0550 - 1.1100	1.0575 - 1.1100	1.0826	1.0600
-- Mostly	1.0550 - 1.1000	1.0550 - 1.1000	1.0550 - 1.1000	1.0550 - 1.1000	1.0600 - 1.1000	1.0776	1.0500
-- Southeast (Delvd)							
-- Extra & Grade A	1.0525 - 1.1400	1.0525 - 1.1500	1.0525 - 1.1500	1.0525 - 1.1500	1.0550 - 1.1500	1.1001	1.0700
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)	0.2325 - 0.2500	0.2425 - 0.2525	0.2475 - 0.2625	0.2475 - 0.2625	0.2525 - 0.2675	0.2502	0.1725
-- Mostly	0.2400 - 0.2450	0.2425 - 0.2525	0.2475 - 0.2575	0.2475 - 0.2575	0.2525 - 0.2625	0.2492	0.1750
-- West (f.o.b.)	0.2200 - 0.2600	0.2200 - 0.2600	0.2200 - 0.2650	0.2200 - 0.2650	0.2200 - 0.2650	0.2413	0.1763
-- Mostly	0.2400 - 0.2550	0.2450 - 0.2575	0.2450 - 0.2600	0.2450 - 0.2600	0.2500 - 0.2600	0.2511	0.1722
-- Northeast Extra Grade (f.o.b.)	0.2425 - 0.2550	0.2425 - 0.2550	0.2500 - 0.2600	0.2550 - 0.2625	0.2575 - 0.2650	0.2532	0.1781
-- Northeast Usph Grade A(f.o.b.)	0.2600 - 0.2675	0.2600 - 0.2675	0.2600 - 0.2700	0.2650 - 0.2700	0.2675 - 0.2700	0.2652	0.1900
-- Southeast Extra Grade (Delvd)	0.2725 - 0.2850	0.2725 - 0.2850	0.2825 - 0.2925	0.2825 - 0.2925	0.2825 - 0.2975	0.2835	0.2075
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	0.7900 - 0.8400	0.7900 - 0.8250	0.7900 - 0.8250	0.7900 - 0.8250	0.7900 - 0.8250	0.8093	0.5994
-- Mostly	0.7900 - 0.8000	0.7900 - 0.8000	0.7900 - 0.8000	0.7900 - 0.8000	0.7900 - 0.8000	0.7950	0.5919
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	0.1850 - 0.2300	0.1950 - 0.2300	0.2000 - 0.2300	0.2000 - 0.2300	0.2100 - 0.2300	0.2129	0.1450
-- Roller Ground	0.2275 - 0.2575	0.2275 - 0.2575	0.2375 - 0.2675	0.2425 - 0.2725	0.2425 - 0.2725	0.2492	0.1709
-- Delactose	0.4150 - 0.4300	0.4150 - 0.4300	0.4150 - 0.4300	0.4150 - 0.4300	0.4150 - 0.4300	0.4225	0.3181
BUTTERMILK (Min. 30% protein)							
-- Central (f.o.b.)	1.0250 - 1.0825	1.0500 - 1.1200	1.0500 - 1.1200	1.0500 - 1.1200	1.0850 - 1.1300	1.0786	0.7694
-- West (f.o.b.)	0.9700 - 1.0400	0.9800 - 1.0700	0.9800 - 1.0700	0.9800 - 1.0700	0.9800 - 1.0800	1.0205	0.7138
-- Mostly	0.9800 - 0.9900	0.9900 - 1.0300	1.0000 - 1.0400	1.0000 - 1.0400	1.0200 - 1.0600	1.0102	0.6975
-- Northeast (f.o.b.)	0.9900 - 1.0200	1.0000 - 1.0300	1.0000 - 1.0300	1.0000 - 1.0300	1.0300 - 1.0400	1.0136	0.7400
-- Southeast (Delvd)	1.0200 - 1.1000	1.0300 - 1.1550	1.0300 - 1.1550	1.0300 - 1.1550	1.0500 - 1.1550	1.0852	0.7438
WHOLE MILK POWDER							
-- National							
-- National (f.o.b.)	1.3000 - 1.4700	1.3200 - 1.4800	1.3200 - 1.5000	1.3200 - 1.5000	1.3200 - 1.6000	1.4040	1.1913
LACTOSE							
-- Central And West (f.o.b.)	0.1675 - 0.2150	0.1675 - 0.2150	0.1675 - 0.2150	0.1675 - 0.2150	0.1675 - 0.2150	0.1913	0.2175
-- Mostly	0.1675 - 0.1875	0.1675 - 0.1875	0.1700 - 0.1875	0.1700 - 0.1875	0.1750 - 0.1875	0.1783	0.2000
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.5500	2.1000
-- Nonrestricted - Acid	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.4500 - 2.6500	2.5500	2.1250

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CHICAGO MERCANTILE EXCHANGE AVERAGES FOR APRIL 2001

COMMODITY	REPORT NUMBER 14	REPORT NUMBER 15	REPORT NUMBER 16	REPORT NUMBER 17	REPORT NUMBER 18	2001 *	2000 *
	APR 2 - 6	APR 9 - 12	APR 16 - 20	APR 23 - 27	APR 30	Monthly Average	Monthly Average
BUTTER*							
-- GRADE AA							
-- Monday	1.6800	1.7025	1.7250	1.9500	1.8975		
-- Tuesday							
-- Wednesday	1.6800	1.7100	1.9500	2.0125			
-- Thursday							
-- Friday	1.6900	#	1.9350	1.9275		1.8217	1.0691
-- Weekly Average**	1.6833	1.7063	1.8700	1.9633			
CHEESE*							
-- BARRELS							
-- Monday	1.3100	1.3275	1.3525	1.4325	1.5300		
-- Tuesday	1.3200	1.3300	1.4000	1.4400			
-- Wednesday	1.3225	1.3325	1.3800	1.4850			
-- Thursday	1.3225	1.3375	1.3825	1.4900			
-- Friday	1.3250	#	1.4300	1.5200		1.3885	1.0822
-- Weekly Average**	1.3200	1.3319	1.3890	1.4735			
-- 40# BLOCKS							
-- Monday	1.3550	1.3700	1.3925	1.4500	1.5500		
-- Tuesday	1.3600	1.3700	1.4400	1.4625			
-- Wednesday	1.3600	1.3725	1.4000	1.4850			
-- Thursday	1.3625	1.3775	1.4000	1.5150			
-- Friday	1.3650	#	1.4325	1.5400		1.4180	1.1032
-- Weekly Average**	1.3605	1.3725	1.4130	1.4905			
NONFAT DRY MILK*							
-- EXTRA GRADE							
-- Monday	1.0300	1.0300	1.0300	1.0300	1.0300		
-- Tuesday	1.0300	1.0300	1.0300	1.0300			
-- Wednesday	1.0300	1.0300	1.0300	1.0300			
-- Thursday	1.0300	1.0300	1.0300	1.0300			
-- Friday	1.0300	#	1.0300	1.0300		1.0300	1.0300
-- Weekly Average**	1.0300	1.0300	1.0300	1.0300			
-- GRADE A							
-- Monday	1.0300	1.0300	1.0400	1.0400	1.0400		
-- Tuesday	1.0300	1.0300	1.0400	1.0400			
-- Wednesday	1.0300	1.0300	1.0400	1.0400			
-- Thursday	1.0300	1.0300	1.0400	1.0400			
-- Friday	1.0300	#	1.0400	1.0400		1.0355	1.0300
-- Weekly Average**	1.0300	1.0300	1.0400	1.0400			

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations. ** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

Good Friday, the CME was closed.

APRIL 2001 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
NONFAT DRY MILK				
JULY 2000 – MARCH 2001		68,093		
04/02/01	CARIBBEAN, CENT & S. AM.	108	APR – JUL	\$58
APRIL 1 – 30, 2001		<u>108</u>		
CHEESE				
JULY 2000 – MARCH 2001		3,030*		
APRIL 1 – 30, 2001		<u>0</u>		
C-CHEDDAR, G-GOUDA, M-MOZZARELLA, P-PROCESSED AMERICAN, CC-CREAM CHEESE, MJ-MONTEREY JACK, V-VARIETAL				
BUTTERFAT				
JULY 2000 – MARCH 2001		0		
APRIL 1 – 30, 2001		<u>0</u>		
A-ANHYDROUS MILKFAT, B-BUTTER				
TOTAL MT				PROGRAM TO DATE
TOTAL BONUS VALUE				71,231
				\$12,419,000

Exporters of U.S. milk powder, butterfat and cheddar cheese are aided under the Dairy Export Incentive Program (DEIP), created by Food Security Act of 1985 and extended by the Food, Agriculture, Conservation, and Trade Act of 1990. Export sales are facilitated through payment of bonuses by the U.S. Department of Agriculture's Commodity Credit Corporation. Sales of dairy products will be made through normal commercial channels at competitive world prices. For further information call L.T. McElvain (202) 720-6211.

Conversion: 1 metric ton (MT) = 2,204.6 pounds. **SOURCE: FOREIGN AGRICULTURAL SERVICE**

* Program year allocations are filled

DAIRY PRODUCTS, ANNUAL SUMMARY 2000

Butter production in the United States during 2000 totaled 1.27 billion pounds, 0.3 percent below 1999. California accounted for 27.8 percent of the production, followed by Wisconsin with 22.6 percent.

Total cheese production, excluding cottage cheeses, was 8.25 billion pounds, 4.6 percent above the 1999 production. Wisconsin was the leading State with 26.6 percent of the production, followed by California with 18.1 percent and New York with 8.8 percent.

American type cheese production was 3.63 billion pounds, 2.9 percent above 1999 and accounted for 44.0 percent of total cheese in 2000.

Italian varieties, with 3.31 billion pounds were 5.3 percent above 1999 production. Mozzarella accounted for 79.5 percent of the Italian production followed by Provolone with 7.5 percent and Ricotta with 7.3 percent. Wisconsin was the leading State in Italian cheese production with 27.6 percent of the production, followed by California with 22.6 percent and New York with 12.6 percent. Italian type cheese accounted for 40.1 percent of total cheese in 2000.

Ice cream, Regular totaled 970 million gallons, down 0.3 percent from 1999. Lowfat ice cream, at 382 million gallons, was up 0.2 percent.

Nonfat dry milk for human food production, at 1.45 billion pounds, was up 6.8 percent from 1999. California was the leading state with 47.7 percent of the production. Dry whole milk production, at 111 million pounds, was down 5.6 percent. Dry whey for human food production, at 1.11 billion pounds, was up 3.6 percent.

Source: "Dairy Products 2000 Summary," Da 2-1(01), National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

**ANNUAL PRODUCTION AND NUMBER OF PLANTS MANUFACTURING SELECTED DAIRY PRODUCTS,
UNITED STATES, 1999 AND 2000**

Product	1999 Revised		2000		Percent 2000 production of 1999 production
	Plants	Production	Plants	Production	
	<u>Number</u>	<u>1,000 pounds</u>	<u>Number</u>	<u>1,000 pounds</u>	<u>Percent</u>
Butter	84	1,277,090	78	1,273,625	99.7
Cheese Types:					
Cheddar	180	2,778,482	172	2,828,240	101.8
Other American <u>1/</u>	122	754,123	116	805,679	106.8
Total American	198	3,532,605	195	3,633,919	102.9
Swiss	38	221,019	36	229,315	103.8
Brick	19	8,114	20	8,608	106.1
Muenster	38	80,273	37	81,497	101.5
Cream & Neufchatel	32	639,299	31	687,440	107.5
Mozzarella	126	2,522,346	120	2,633,737	104.4
Other Italian	95	622,381	88	677,216	108.8
Total Italian	153	3,144,727	150	3,310,953	105.3
Total <u>2/</u>	398	7,894,100	395	8,254,517	104.6
Cottage Cheese, Curd <u>3/</u>	102	464,785	96	463,348	99.7
Cottage Cheese, Creamed <u>4/</u>	92	360,551	88	372,051	103.2
Cottage Cheese, Lowfat <u>5/</u>	92	359,315	89	364,252	101.4
Canned Evaporated &					
Condensed Whole Milk <u>6/</u>	7	470,021	7	441,986	94.0
Dry Whole Milk	16	117,991	13	111,377	94.4
Nonfat Dry Milk, Human	47	1,359,660	45	1,451,597	106.8
Dry Buttermilk	23	52,107	21	56,245	107.9
Yogurt (Plain & Flavored)	85	1,717,181	77	1,835,381	106.9
Condensed Whey, Solids					
Content <u>7/</u>					
Sweet-Type, Human Food	8	106,183	7	101,565	95.7
Sweet-Type, Animal Feed	3	16,204	3	13,659	84.3
Dry Whey Products					
Dry Whey, Human Food	46	1,067,023	46	1,105,087	103.6
Dry Whey, Animal Feed	34	80,365	32	82,846	103.1
Lactose Total	29	471,389	28	520,158	110.3
Whey Protein Concentrate					
Human Food	31	315,653	29	290,462	92.0
Animal Feed	7	42,794	7	46,256	108.1
Frozen Products	<u>Number</u>	<u>1,000 gallons</u>	<u>Number</u>	<u>1,000 gallons</u>	<u>Percent</u>
Ice Cream, Regular	---	972,210	---	969,742	99.7
Ice Cream, Lowfat <u>8/</u>	---	381,236	---	382,084	100.2
Sherbet	---	54,479	---	52,944	97.2
Yogurt	---	90,851	---	87,257	96.0

1/ Includes Colby, Monterey and Jack. 2/ Excluding cottage cheese. 3/ Mostly used for processing into creamed or lowfat cottage cheese. 4/ Fat content 4.0 percent or more. 5/ Fat content less than 4.0 percent, mostly 0.5 to 2.0 fat. 6/ Combined to avoid disclosing individual plant operations. 7/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified dry whey products. 8/ Includes freezer-made milkshake.

SOURCE: "Dairy Products 2000 Summary," Da 2-1(01), National Agricultural Statistics Service, Agricultural Statistics Board, USDA.

APRIL AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in April 2001 advanced 1 point to 124. Compared with April 2000, the index was up 5 points (4.2 percent). The index of prices received by farmers for dairy products advanced 4 points during the month of April 2001 to 110. Compared with April 2000, the index was up 19 points (20.9 percent).

Prices received by farmers in April with changes from March were: for All Milk, \$14.40 per hundredweight (cwt.), up \$.50; for Fluid Grade Milk, \$14.40 per cwt., up \$.50; and for Manufacturing Grade Milk, \$12.70 per cwt., up \$.50.

SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., APRIL 2001 WITH COMPARISONS

STATE	All-milk price 1/ 3/				Milk cows 5/		Cows 6/		All hay baled 7/	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	MARCH		APRIL		APRIL		APRIL		APRIL	
	2001	2000 2/	2001 4/	2000 2/	2001 4/	2000 2/	2001 7/	2000 8/	2001	2000
CA	12.80	10.90	13.10	11.19	1,480	1,500	41.50	36.50	111.00	98.00
ID	12.20	10.60	12.60	10.30	1,480	1,350	39.90	36.00	97.00	74.00
MI	14.00	12.60	14.90	12.70	1,400	1,400	43.50	40.50	64.00	72.00
MN	13.80	11.43	14.20	11.58	1,320	1,250	42.50	42.10	65.00	59.00
NY	14.80	12.80	15.50	12.90	1,300	1,200	---	---	104.00	103.00
OH	13.80	12.30	14.00	12.40	1,360	1,300	40.00	39.70	91.00	112.00
PA	15.70	13.30	16.50	13.20	1,400	1,300	42.90	40.10	103.00	136.00
TX	14.60	13.30	14.80	12.90	1,410	1,400	41.70	38.80	71.00	70.00
WA	14.10	12.40	14.60	12.50	1,470	1,290	---	---	115.00	104.00
WI	13.70	11.20	14.40	11.30	1,360	1,340	43.30	40.50	50.00	51.00
U.S.	13.90	11.90	14.40	11.90	1,390	1,340	42.70	39.80	94.80	80.70

1/ Prices are shown at reported butterfat test. 2/ Partially revised. 3/ Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. 4/ Preliminary. 5/ Animals sold for dairy herd replacement only. 6/ Beef cows and cull dairy cows sold for slaughter. 7/ Mid-month price. 8/ Entire month.

MILK AND OTHER GENERAL PRICE MEASURES, U.S., APRIL 2001 WITH COMPARISONS

ITEM	APRIL 2000	MARCH 2001 2/	APRIL 2001 3/
PRICES RECEIVED BY FARMERS , dol. per cwt., at reported butterfat test:			
All milk	11.90	13.90	14.40
Fluid grade milk	11.90	13.90	14.40
Manufacturing grade milk	10.20	12.20	12.70
INDEX NUMBERS (1990-92=100):			
Prices received by farmers for all farm products	100	103	107
Prices received by farmers for dairy products	91	106	110
Prices paid by farmers for commodities and services, interest taxes, and wage rates	119	123	124
Prices paid by farmers for production items	116	119	120
Prices paid by farmers for feed	102	105	106
MILK FEED PRICE RATIO: Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk 3/	2.84	3.25	3.31

1/ Partially revised. 2/ Preliminary. 3/ For this data series, the price of the commercial prepared feed is based on current U.S. prices received for corn, soybeans, and alfalfa hay.

SOURCE: "Agricultural Prices," Pr 1 (4-01)a, Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 30 - MAY 4			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	WEEK ENDING 04/27/01	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	3,050,083	414,675	-0-	-0-
Barrel	-0-	-0-	-0-	4,025,276	-0-	-0-	-0-
Process	-0-	-0-	-0-	3,999,600	4,276,800	-0-	-0-
TOTAL	-0-	-0-	-0-	11,074,959	4,691,475	-0-	-0-
NONFAT DRY MILK							
Nonfortified	9,008,418	-0-	9,008,418	282,151,502	271,922,086	514,242,000	-0-
Fortified	-0-	-0-	-0-	27,258,654	5,313,347	37,731,000	-0-
TOTAL	9,008,418	-0-	9,008,418	309,410,156	277,235,433	551,973,000	-0-

#Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT*	SKIM**		MILKFAT*	SKIM**
	BASIS	SOLIDS		BASIS	SOLIDS
WEEK OF APRIL 30 - MAY 4, 2001 =	2.0	104.9	COMPARABLE WEEK IN 2000 =	12.8	194.9
CUMULATIVE SINCE OCTOBER 1, 2000 =	170.3	3,711.2	CUMULATIVE SAME PERIOD LAST YEAR =	104.3	3,273.4
CUMULATIVE JANUARY 1 - MAY 4, 2001 =	53.8	2,228.6	COMPARABLE CALENDAR YEAR 2000 =	93.1	2,680.3

* Factors used for Fat Solids Basis Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
 **Factors used for Skim Solids Basis Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF APRIL 30 - MAY 4, 2001 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	9,008,418	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00
MIDWEST	-0-	-0-	5,995,440	4,691,475	3,105,246	29,893,017	32.9	47.8
WEST	-0-	-0-	5,039,919	-0-	306,304,910	244,902,419	66.9	51.7
EAST	-0-	-0-	39,600	-0-	-0-	2,439,997	0.2	0.5
TOTAL	-0-	-0-	11,074,959	4,691,475	309,410,156	277,235,433	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 16, 2001

MANUFACTURING MILK Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

BUTTER Bulk \$.6549 per pound; 1# Prints \$.6849
CHEESE 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239
NONFAT DRY MILK Nonfortified \$1.0032 per pound; Fortified \$1.0132; Instant \$1.1607

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 04/14/01 & Comparable Week 2000

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL	
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1
2001-Dairy	0.2	0.6	5.4	4.3	19.2	2.3	1.4	0.9	10.0	2.8	47.0	829.1
2000-Dairy	0.2	0.9	5.5	4.7	19.1	2.7	0.8	1.1	10.4	3.3	48.8	798.8
2001-All cows	0.2	0.7	7.4	13.0	26.8	12.5	11.7	5.1	11.7	5.9	95.0	1,668.5
2000-All cows	0.2	1.1	7.5	12.5	27.7	13.0	13.8	4.7	12.2	6.5	99.3	1,565.2

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000) AND BFP (1998-99) MILK PRICES, (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37

FEDERAL MILK ORDER CLASS PRICES FOR 2001 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	13.99	11.94	12.65	13.44	14.21							
II	12.82	13.43	14.17									
III	9.99	10.27	11.42									
IV	12.13	12.70	13.46									

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/mib/class_prod_milk_comp_pr.htm